Declassified and Approved For Release 2013/01/25: CIA-RDP08C01297R000600010031-3 (Security Classification) FOREIGN SERVICE DESPATCH Amembassy TEHRAN FROM February 25, 1961 THE DEPARTMENT OF STATE, WASHINGTON. TO Embtel 1074, February 20, 1961 and CERP: Iran D-IX-B2 REF ACTION For Dept. Use Only 151.0 10 Com-10 19.3 NAVIO-Documentation Concerning the Iran-Iraq Dispute Over Berthing SUBJECT: 11519.4 /1RMg.4 / Ships at Abadan Certain pertinent documentation concerning the Iran-Iraq dispute over the berthing and unberthing of ships at Abadan is forwarded herewith. This material was given to the Embassy by Mr. Edson W. Berlin, the Managing Director of the Iranian Oil Operating Companies (Consortium). FOR THE AMBASSADOR Maurice 7. W. Jaylon Maurice F. W. Taylor Counselor of Embassy for Economic Affairs Enclosures: 1. Iranian Council of Minister's Decree of April 16, 1960, establishing the Khorramshahr General Port Office. 2. Letter from the Secretariat of the Ministry of Customs and Monopolies to the Iranian Oil Operating Companies, dated 11 August 1960, requesting the companies to inform the Basra Port Authority that as from 27 August 1960, all port authority affairs relating

to the Port of Abadan would be under the jurisdiction of the Khorramshahr Port Directorate General.

3. Letter from Edson W. Berlin to the Bashrah Port Authority, dated 18 August 1960, stating that as of 27 August 1960 the Khorramshahr General Post Directorate would take over

the berthing of vessels at Abadan.

4. Copy of the Iraqi Ports Administrative Notice, dated 15 February 1961, forbidding berthing or unberthing operations by the Khorramshahr General Port Directorate at Abadan.

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5. A letter from Edson W. Berlin to the Chairman of the Board of the National Iranian Oil Company, dated 17 February 1961, pointing out that it would be necessary to curtail the throughout at the Abadan Refinery unless the Shatt dispute were settled within 18 hours.

6. A letter from Edson W. Berlin to the Director General of the Iraqi Ports Administration, Basra, dated 18 February 1961, expressing the viewpoint that the operations of the Khorramshahr General Port Directorate at Abadan would not detract from the control of shipping

on the river.

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COUNCIL OF MINISTERS DEGREE

The Council of Ministers approved the following provisions in its meeting of April 16th, on the basis of a proposal of the same date made by the Ministry of Finance with the concurrence of the Ministry of Customs and Monopolies (in view of the question involving port administration):

- 1. The jurisdiction of the Port of Khorramshahr shall extend from the point of confluence of Karum to Ahwas Bridge and from Kayyan Creek to the open sea.
- 2. A department is hereby set up, called the Khorramshahr General Port Office to serve as the exclusive authority for discharging all duties and services relating to port management, such as pilotage, erection of navigation aids, berthing, hydrographic surveys, etc., within the jurisdiction of the Port of Khorramshahr, Abadan and Khosrowabad, and any other ports which may be created in the future.
- 3. The Khorramshahr General Port Office shall fix the tariff of port dues in respect of each port within its jurisdiction, whether existing now or to be created in the future, in proportion to services rendered at that port, and shall propose the same to the Council of Ministers for approval, whereafter such dues shall be collected from users. Such dues shall be spent exclusively for the improvement and promotion of navigation and related activities within the jurisdiction of the Port of Khorramshahr.
- 4. The Ministry of Customs and Monopolies shall make the necessary arrangements for the provisions of facilities and preliminaries pertaining to the execution of the above functions, and shall facilitate in every way the urgent implementation of the provisions of this Decree.
- 5. The Khorramshahr General Port Office shall be directly responsible to the Minister of Customs and Monopolies.
- 6. The Ministry of Customs and Monopolies and the Ministry of Finance are charged with the enforcement of this Decree.

This Decree is on file in the Prime Minister's Office.

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I.A.R.M.

No. 12257

date: 11 August 1960

I.A.E.P.M.

From: The Secretariat

Ministry of Customs and Monopolies

To: Iranian Oil Operating Companies

URGENT

As you are aware, the National Iranian Oil Company took up per their letter No. 62132 of August 9, 1960, the subject of port administration at Abadan Port, and requested that the Operating Companies too should in turn draw the attention of Basrah Port Directorate to the decision of the Iranian Government so that the function of Port Authority in respect of Abadan Port shall be performed by Iranian authorities.

Having now learned that the Operating Companies have in reply to NIOC's letter in this respect, asked that the matter be notified to them by the Government of Iran, we hereby advise that the Iranian Government's decision in this respect is conclusive, and that we cannot allow the nationals of another government to entertain any rights for themselves in the waters belonging to the Government of Iran and thereby assume any rights in the administration of the port. We request you kindly to notify the foregoing to the Basrah Port Authorities, acquainting the authorities responsible there, that as from the 27th of August, 1960 all port authority affairs relating to the Port of Abadan shall be solely conducted by the organization of the Khorramshahr Port Directorate General, and that Mr. Moghaddam, Head of the Khorramshahr Port Directorate General, will draw up his schedule of operations and notify same to the shipping companies.

Ministry of Customs and Monopolies.

signed: Zargham.

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